PROCEEDINGS OF THE MADRAS LEGISLATIVE COUNCIL

THIRD SESSION OF THE FOURTH LEGISLATIVE COUNCIL

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A.—(a) to (e) The hon. Member is referred to the answer to question No. 598.

(f) There was a light rattan charge on the 1st January 1933 in which eight prisoners received caning while attempting to climb the palisading.

(g) The Government have no information.

Age-limit for appointment as Government Pleaders and Public Prosecutors.

* 600-A Q.—Mr. U. C. SUBRAHMANYA BHATT: Will the hon. the Law Member be pleased to state—

(a) whether the Government have decided to enforce the rule that Government Pleaders and Public Prosecutors should not hold office after they are sixty years old; and

(b) if so, what the effect is of the said rule on appointments already made which are for a term of three years?

A.—(a) Yes.

(b) The appointments are always subject to the rule referred to in clause (a) above.

Mr. U. C. SUBRAHMANYA BHATT:—" Will the hon. the Law Member be pleased to state whether it is a fact that some persons who have already been appointed for certain terms are to be deprived of their public prosecutorships? "

The hon. Diwan Bahadur Sir M. KRISHNAN NAYAR:—" If my hon. Friend names any specific instance, I shall be in a position to answer."

[Note.—An asterisk (*) at the commencement of a speech indicates revision by the Member.]

II.—BUDGET FOR 1933-34.

* The hon. the PRESIDENT:—" The hon. the Finance Member will present the Budget for 1933-34."

Introductory.

* The hon. Mr. H. G. STOKES:—" Mr. President, Sir, I propose, before discussing in detail the Estimates that are now to be laid before the House, to give, as is customary, a review, as succinctly as possible, of the affairs of the Presidency during the financial year that is just about to close. I shall touch only on such topics as have a bearing on our financial or economic position. The monsoons have upon the whole been favourable, and several districts, notably in the Central and South-Central areas of the Presidency, which had for some years been suffering from inadequate rains, received in this year more copious supplies. At the same time, the year has not been marked by those disastrous floods or rain-bursts which marred the record of its immediate predecessors. The South-West monsoon made its appearance in some strength during

the month of May, somewhat untimely; considerable falls occurred on the West Coast and the Circars during July and during August the rains, though comparatively light, extended generally throughout the Presidency. Upon the whole, the season was favourable and the total extent both of wet and dry crops was considerably above the average and the extent cropped in the preceding year. The North-East monsoon was favourable and the rainfall was above the average throughout the Presidency, except in Kurnool and Cuddapah, Nellore and Chittoor districts. We had very heavy rain in November, but the floods thereby caused in the Tanjore district, by which a number of tanks and channels were breached, did not, upon the whole, result in an extensive loss of crop. Among the works which it is proposed to take up in the ensuing year will be found several designed to improve the drainage and mitigate the flooding from which parts of the Delta suffer. Only in an area of about 900 square miles in the neighbourhood of Bellary was there in the early months of the year scarcity which at one time threatened to develop into famine. At the earlier stage work was afforded by the expansion of road and water-supply works under the direction of the District Board with special allotments from the Government. Relief was also given to the villages affected by extensive remissions or postponement of revenue, and of loan repayments. By the month of May test-works under Famine Code conditions were organized in seven centres, but the favourable rains in July and August, which continued into September, relieved the situation and enabled the closure of the works from October last.

"2. Economically, as the House knows, the Presidency continued to languish under the universal trade depression. There seems little hope of a marked or general improvement in trade unless a forward step can be taken in the matter of war debts which is to form one of the principal topics of business at the International Conference in April next. So far as our domestic affairs are concerned, there are a few hopeful features which may be mentioned; thus the decline in our foreign trade which has been so marked for two years, seems at least to have been arrested, and its total value for the first 11 months of 1932 was practically unchanged as compared with the corresponding period of 1931. This, no doubt, was due to the abnormal export of gold, but, apart from this, there are some hopeful signs; traffic in some important articles of merchandise has somewhat revived and coasting trade shows an all-round increase. There was also an increase in the number of new companies registered. The increase, to which I shall presently allude, in the revenue under REGISTRATION and STAMPS, is to some extent an indication of returning business activities. The disquieting feature of the situation, viz., the continued decline in prices of food grains, however still continues and though it may have benefitted the poorer classes has adversely affected those of the more well-to-do whose incomes are drawn from the land.

"3. Politically the year, so far as this Province is concerned, has been uneventful on the whole, but the possibility of a renewal of civil disobedience activities is not yet removed, and cannot be left out of account.

Accounts of the year 1931-1932.

REVENUE ACCOUNT.

"4. Before dealing in detail with the Estimates that are now for the consideration of the House, I have a few preliminary observations to offer. The year 1932-1933, the Revised Estimate for which I am about to submit to the House, has witnessed, in great measure, the effect of those efforts at retrenchment, which the Government undertook in response to what may be described as a clear mandate from the House expressed in the course of the debates on the Budget of 1931-1932. That mandate was enforced by the signs of serious collapse under every head of revenue which became manifest in the early months of the same year, and led us in the Revised Estimate for that year to anticipate a decline in revenue of no less than Rs. 187·61 lakhs. In my Budget Speech for 1932-1933 it was expected that, as against a revenue deficiency of Rs. 187·61 lakhs, we should in the year achieve savings in expenditure of Rs. 129·30 lakhs, and, in the result, we anticipated a revenue deficit of Rs. 50·74 lakhs. We have now the actual accounts figures for 1931-1932 which show that while our revenue has come out better than we expected, mainly under the head of EXCISE where the reduction was less by Rs. 20 lakhs, our efforts at curtailing expenditure were also more successful than we anticipated and have given us savings of Rs. 142·17 lakhs against Rs. 129·30 lakhs, a betterment of Rs. 12·87 lakhs. The result has been that we have closed 1931-1932 with a small surplus of Rs. 5·41 lakhs. It is perhaps worth while, before quitting this part of the subject, to observe that, upon the whole, the aim of the Government and of the Retrenchment Committee to achieve a reduction of 8 per cent in the year was attained.

CAPITAL AND DEBT HEADS.

"5. I need not inflict upon the House details of the accounts figures of 1931-1932 for the Capital and Debt heads. The disbursements under these heads include Capital expenditure, not ordinarily charged to current revenues, such as outlay on the construction of irrigation and hydro-electric works, on Government commercial undertakings and on loans and advances to local bodies, cultivators, etc. These were financed partly from loans from the Government of India, partly from recoveries of loans and advances repaid, and partly from the Provincial balances upon which we drew to the extent of Rs. 57·78 lakhs. In the result we closed the year with a Revenue Account balance of Rs. 170·91 lakhs, very much less than we anticipated in the Budget Estimate for the year but better by Rs. 76 lakhs than we expected at the time of preparing the Revised Estimate. The closing balance of Rs. 170·91 lakhs forms the opening balance of 1932-1933.

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Revised Estimate for the year 1932–1933.

REVENUE ACCOUNT.

"6. In the Budget Estimate for 1932–1933 as submitted to the House, we anticipated a balanced budget, the figures for Revenue and Expenditure being alike estimated at Rs. 1,593·61 lakhs. The Revised Estimate for the year fixes the Revenue at Rs. 1,688·79 lakhs and the Expenditure at Rs. 1,626·02 lakhs, giving a revenue surplus of Rs. 62·77 lakhs. In other words, the results have been very much better than we expected at the beginning of the year. We felt bound at that time to take a very conservative view of the immediate revenue prospects in view of the recent collapse under every revenue head; and, as explained at the time, we took no credit for any additional revenue from the resettlement in certain taluks of Malabar. In the Revised Estimate under the head V. LAND REVENUE, we now budget for a slight betterment of Rs. 2·34 lakhs, this being the net result mainly of improved receipts amounting to about Rs. 2·40 lakhs from sales of waste lands, recovery of survey charges, and of a decrease under refunds, set off against decreases of revenue due to the alteration of kistbandi in Coimbatore by which Land Revenue amounting to Rs. 7 lakhs will not be due for collection until after the close of the year; and to allowance having been made in estimating for possible short collections on account of the economic depression. It is under EXCISE, however, that the most marked improvement accrues amounting to Rs. 62·19 lakhs; this represents a continuation of the recovery indicated by the actuals for 1931–1932 to which I have already alluded; the betterment is shared, though in less marked degree, by other heads which reflected in 1931–1932 the results of the general depression. Thus STAMPS have recovered to the extent of Rs. 15·97 lakhs, and REGISTRATION by Rs. 3·90 lakhs.

"7. On the other hand, in the Revised Estimate for 1932–1933 provision for increased expenditure as compared with the Budget Estimate is made amounting to Rs. 32·41 lakhs necessitated partly by additional appropriations, and supplementary grants voted by the Council during the year: provision is also made for paying a larger amount as compensation to local bodies under the Madras Motor Vehicles Taxation Act. Among the items of increased expenditure may be mentioned, under EDUCATION, Rs. 1·80 lakhs, being part restoration of the reduction in teaching grants, and Rs. 3·71 lakhs on account of building and equipment grants not provided for in the Budget Estimate; under PUBLIC HEALTH additional provision is made for rural and other water-supply (Rs. 2·79 lakhs) and other minor grants. Retrenchments and other savings effected account for about Rs. 14 lakhs and are shared by several departments, GENERAL ADMINISTRATION, ADMINISTRATION OF JUSTICE, POLICE, MEDICAL, AGRICULTURE and INDUSTRIES.

"A sum of about Rs. 6·69 lakhs has been written back from Capital to Revenue, representing expenditure on Forest commercial undertakings which have been de-commercialized, and a similar write-back has been made of the balance of advances to finance commutation of pensions

made in previous years from the Capital to the Revenue Account. This is of the nature of a book transaction; the expenditure under the Capital Account is correspondingly reduced.

"Under the head 43. FAMINE there is increased expenditure of Rs. 2·75 lakhs due to relief operations in the Bellary district. These were finally closed down in October 1932, and have cost us from the start, including land revenue remission granted and special expenditure incurred, before the opening of test works, through the agency of the District Board, about Rs. 8 lakhs.

CAPITAL AND DEBT HEADS.

"8. Coming to the Capital and Debt heads, 1932-1933, the sum borrowed for the Cauvery-Mettur Project was Rs. 100·38 lakhs, of which, after adjusting to credit of the Revenue balance Rs. 19·76 lakhs advanced in the preceding year, a sum of Rs. 9·91 lakhs is expected to remain unspent, to be carried forward to next year's account of the project. For the Pykara, Kattalai and Cochin Harbour (stage IV) works, we borrowed from the Provincial Loans Fund during the year Rs. 49·85 lakhs, of which a sum of Rs. 12·88 lakhs will, it is estimated, remain unspent; the greater part of this is covered by the sum of Rs. 10 lakhs for the Cochin Harbour where it has not been found possible within the year to make a start with the stage IV works.

Revenue Closing Balance in the year 1932–1933.

11-30 a.m. "9. As the net result of the year's administration it is expected that we shall close 1932–1933 with a Provincial balance of Rs. 293·44 lakhs as compared with the Budget Estimate of Rs. 130·37 lakhs. The increase is due partly to the betterment in our position in 1931–1932, which has continued to be manifest in 1932–1933, and partly to the excess receipts in the CAPITAL SECTION from which a sum of Rs. 40 lakhs not required for expenditure in that section has been passed into the Provincial balances.

Budget Estimate for the year 1933–1934.

REVENUE ACCOUNT—PART I.

"10. I now come to Part I of the Estimates for 1933–1934 as compared with the Budget Estimate for 1932–1933. The Revenue estimates show a betterment of Rs. 128·07 lakhs, the figure being Rs. 1,721·68 lakhs as against Rs. 1,593·61 lakhs. The expenditure under Part I (i.e., expenditure against standing sanctions) stands at Rs. 1,646·26 lakhs against Rs. 1,593·61 lakhs, an increase of Rs. 52·65 lakhs. The corresponding figures, as compared with the Revised Estimate for 1932–1933, are Revenue *plus* Rs. 32·89 lakhs, Expenditure *plus* Rs. 20·24 lakhs. The result is that we expect to have available during 1933-1934 a sum of Rs. 75·42 (say 75) lakhs for expansion of outlay.

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"11. Taking first the REVENUE side, allowance has been made under the LAND REVENUE head for a decrease of Rs. 7·85 lakhs, representing about one-fourth of the kist in the Trichinopoly district, which, owing to an alteration in the kistbandi, will not accrue until 1934–1935; as against this, some increase is expected from re-settlement rates in Godavari, Kistna and Malabar, from receipts from the sale of waste lands and, *per contra*, by smaller refunds. Under EXCISE, we have felt obliged to make a cautious estimate. I have already referred in dealing with the Revised Estimate for 1932–1933 to the remarkable recovery which seems to be taking place in the Excise Revenue (mainly under toddy) but it would be unwise to count upon its maintenance at the same rate in 1933–1934. In estimating the revenue under this head we have proceeded generally on the basis that the figures of the Revised Estimate for 1932–1933 will not be largely exceeded; the increase of Rs. 21 lakhs in 1933–1934, on which we reckon, is due to the expectation that the toddy rentals of the next lease (October 1933 to September 1934) will be the same as those in the current year and hence a full year's increased rentals (Rs. 42 lakhs) will accrue in 1933–1934 as against half that sum accruing in the current year. Other revenue heads, under which improvement is anticipated, are STAMPS (+ 12·90 lakhs), mainly due to increase of Rs. 10·72 lakhs under non-judicial stamps; REGISTRATION (+ 3·30 lakhs) due partly to increased activity, but partly also to levy of fees on kanom leases and on lengthy documents. Improved collection of the Madras Motor Vehicles Tax is expected to give us an increase of Rs. 6·50 lakhs, notwithstanding a decrease in fees for the registration and examination of vehicles; under XVI. INTEREST and XXX. CIVIL WORKS we anticipate increased receipts of Rs. 4·72 lakhs and Rs. 6·87 lakhs respectively, the former owing to the accrual of interest on deposits of Provincial balances with the Government of India, the latter because a larger amount is expected to be drawn from the Road Development Fund.

"12. Coming now to EXPENDITURE, the Budget Estimate (Part I) for 1933–1934 contemplates, as compared with that of 1932–1933, a gross increase of Rs. 60·87 lakhs against which we can set off reductions amounting to Rs. 8·22 lakhs, thus arriving at the net figure of Rs. 52·65 lakhs already mentioned. As the House is aware, the Government of India have announced that the 10 per cent pay cut will from 31st March 1933 be reduced to 5 per cent in the case of services 'protected' under the Government of India Act, and of all other 'non-protected' services controlled by them. In the case of the Provincial and Subordinate Services, whose pay it is within the power of the Local Government to regulate, they have given Provincial Governments a free hand. In exercise of the discretion thus given, the Government have decided wholly to remove, as from 1st April 1933, the 10 per cent cut of all establishments whose pay can under the rules be regulated by them. The Estimates take account of these decisions, which, taken together, necessitate an increase in the expenditure (as compared with the Budget Estimate of 1932–1933) of Rs. 32·97

lakhs. To this subject I shall return later. Under 16. IRRIGATION provision is made for a number of irrigation works provided for in previous years' budgets, but of which the execution was in some cases retarded or deferred by the necessity of retrenchment. The provision proposed for these schemes in 1933–1934 is Rs. 18·47 lakhs; their total estimated cost is Rs. 88·10 lakhs. The works include a number of productive schemes of which the most important are the Kistna East Bank Canal Scheme and the improvements to the Pedalanka channel, and the Yenamadurru drainage channel—all relating to the Godavari and Kistna deltas. For the Cauvery delta it is proposed to take up much needed improvements to the advantage of the Vadavar and Ayyavayyanar systems; in the Trichinopoly district provision is made for the scheme for the Cauvery bed-regulator and High Level Channel and for the North Bank Canal, both in the neighbourhood of Kattalai. Increased expenditure accrues under other heads, but I need only mention here the more important. Thus, under 22. GENERAL ADMINISTRATION provision is made for the expenses of the General Elections for the reformed legislature (Rs. 8 lakhs); under 31. EDUCATION Rs. 5·59 lakhs is to be given for restoring teaching grants to the amount prior to retrenchment, and money is also provided for additional teaching grants to aided secondary schools and for building and equipment grants overdue. Under 41-B we have a provision of Rs. 6·59 lakhs on account of capital outlay on certain hydro-electric schemes in progress for which it is not proposed to borrow next year. Additional provision for commutation of pensions (Rs. 1·25 lakhs) is made under head 45-A and of Rs. 1 lakh under 46. STATIONERY AND PRINTING, which is the net increase resulting from an increase of expenditure of Rs. 3 lakhs on account of the General Elections, partly counterbalanced by reduction in expenditure on this head in other directions.

Part II Schemes for the year 1933–1934.

"13. It will be convenient here to advert to the Part II Expenditure proposed in 1933–1934 in the Revenue Account before touching on the Capital and Debt heads. The position is that, after making provision for the removal of the pay cut to the extent above mentioned, we can allot Rs. 75·42 lakhs for Part II SCHEMES. Against this sum, the Finance Committee have recommended as urgently necessary schemes of which the cost in 1933–1934 is Rs. 70·56 lakhs non-recurring and Rs. 3·14 lakhs recurring. To this the Government decided to add certain non-recurring schemes which the Finance Committee recommended for acceptance only if funds are available. The amount of these is Rs. 1·09 lakhs.

"In addition there are certain schemes for which it was proposed to move in 1932–1933 Supplementary Grants, but which, though accepted by the Finance Committee, could not be moved in the October meeting of the Legislative Council and had to be deferred until the January meeting by which time it was too late to expect the money to be

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spent within the year. The amount of these is Rs. 1·33 lakhs non-recurring and Rs. ·01 lakh recurring expenditure. These have been added to the Part II Schemes for 1933-1934 and the resulting total is non-recurring Rs. 72·98 lakhs and Rs. 3·15 lakhs recurring. As against this latter figure, however, we have recurring revenue derivable from the schemes proposed, of Rs. 5·03 lakhs. In 1933-1934, therefore, we shall have available to meet the non-recurring expenditure (Rs. 72·98 lakhs) on Part II Schemes a sum of Rs. 77·30 lakhs. This will allow us to close the year with a Revenue Account surplus of Rs. 4·32 lakhs; of this Rs. 3·46 lakhs is due to the continuance of the pay cut in the case of officers who are not under the rule-making powers of the Madras Government.

"It will be seen that we propose to devote practically the whole of the revenue surplus to expanding the activities of Government towards the standard of expenditure which we have been compelled in 1931-1932 and 1932-1933 to contract rigorously owing to the necessities of retrenchment. The ultimate total commitment which these schemes involve is no less than Rs. 108·37 lakhs non-recurring and Rs. 4·91 lakhs recurring. That, I think, constitutes a considerable relaxation of the financial curb. It would take too long to attempt an analysis of all these schemes. I may mention a few only, confining myself to the non-recurring expenditure. Thus additional non-recurring grants are proposed amounting to about Rs. 6·02 lakhs for EDUCATION (TRANSFERRED and RESERVED), including educational buildings; to Rs. 5·77 lakhs for MEDICAL and PUBLIC HEALTH (including buildings); and to Rs. 15·15 lakhs for CIVIL WORKS (grants-in-aid to local bodies). AGRICULTURE, VETERINARY, INDUSTRIES and FISHERIES are given Rs. 1·91 lakhs; for IRRIGATION, in addition to the substantial sums provided in Part I, there are further grants of Rs. 1·62 lakhs; about Rs. 32 lakhs is proposed for the development of the distribution of electricity, which cannot but be highly beneficial to the populations affected.

CAPITAL AND DEBT HEADS.

"14. The consideration of the Capital and Debt heads for 1933-1934 need not detain us long. The total estimate of disbursements under these heads (Part I) is Rs. 81·25 lakhs, distributed as follows:—For Cauvery-Mettur Project Rs. 36·20 lakhs; for the Pykara Headworks completion, the Kattalai Scheme and the Cochin Harbour Rs. 14·51 lakhs; 'other heads', i.e., for the Cinchona development and loans other than for the Cochin Harbour Rs. 30·54 lakhs—total Rs. 81·25 lakhs. Against this we have an opening balance of Rs. 9·91 lakhs in the Cauvery-Mettur account, and Rs. 12·88 lakhs in the accounts of Kattalai, Pykara and Cochin Works; Rs. 42·33 lakhs will be available from recoveries of loans and the balance (Rs. 16·13 lakhs) will be met from Provincial balances. For the Pykara Power Station scheme Rs. 6·25 lakhs is proposed. Of this scheme all the main items of construction work, except certain minor works on the lower bund of the reservoir and certain office and other buildings, have been completed.

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The provision proposed is to complete these and to pay in 1933-1934 for stores purchased in Europe, for which payment falls due within that year. For the distribution of power in the Coimbatore district and to Palghat Rs. 1·65 lakhs is required; the work is expected to be completed in the year. The programme also provides for the supply of electricity to Virudhunagar and Dindigul municipalities at a cost during the year of Rs. 2·99 lakhs; loans provided for are, to the Madras Corporation (Rs. 6 lakhs), to other local bodies (Rs. 2·84 lakhs); to cultivators (Rs. 13·92 lakhs); to Industries (Rs. ·50 lakh) and miscellaneous (Rs. 5·67 lakhs) and to Cochin Harbour (Rs. 10 lakhs). The Finance Committee considered further five loan schemes, of which they recommended four at a total cost of Rs. 10·23 lakhs in 1933-1934. These are principally to provide further loans to the Madras Corporation for various purposes (Rs. 4 lakhs), and to local boards and municipalities for capital expenditure on new schemes other than water-supply and drainage (Rs. 6·12 lakhs). The money will be found from Provincial balances.

"We propose to take no loans in 1933-1934 from the Provincial Loans Fund.

Revenue Closing Balance in the year 1933-1934.

11-45 a.m. "15. The Revenue Closing Balance for 1933-1934, after transferring for Capital expenditure a sum of Rs. 26·36 lakhs as already mentioned, is expected to stand at Rs. 271·40 (say Rs. 271) lakhs.

Emergency Cut in Pay.

"16. From the above survey of our position as disclosed by the figures, there emerge two matters with which the House will expect me to deal at greater length. The first is the decision of the Government to devote a part of their resources to the restoration of the 10 per cent cut in pay. I may remind the House in this connexion of the terms of the pledges which, following those made in Parliament and in the Legislative Assembly, the Government gave. Speaking in the House of Lords on the 3rd December 1931, the then Under Secretary of State pointed out that the Bill conferred on the Secretary of State a temporary power to make a reduction not exceeding 10 per cent for a period not longer than between December 1st of that year (1931) and March 31, 1933—

'If (he proceeded) the financial emergency continues, it will not be possible to continue that cut without coming to Parliament once more to agree to it; but if, as we all hope, the financial situation rapidly improves, there will be nothing to prevent the salaries of these servants being restored before the date of the expiry of the cut.'

"In the Legislative Assembly the Finance Member used similar language. Referring to the duration of the additional burdens proposed, he said on 29th September 1931—

'It must be clearly explained that there is no intention that they should remain operative beyond March 31st, 1933. They will not be continued beyond that date without further examination of economic conditions; and if economic conditions so required or permitted, we should re-consider them before that

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date.' Having discussed the forecasts of revenue, the Hon'ble Member continued 'If these forecasts are fulfilled, then, even if there is no improvement in the economic position, the Finance Member when he presents the Budget for 1933-1934, will find himself in possession of a surplus of 5·23 crores, and he will be able to make a substantial easing of the burdens. . . . It is perhaps forecasting events too much to say in what order these reductions should be made. But there are certain principles which we consider must be observed. Relief must come first in restoring the emergency cut in pay and secondly in taking off the surcharge on the income-tax now to be imposed. I think we may predict, with as much certainty as is possible for any such forecasts, that these special impositions will not in any case be extended beyond March 31, 1933.'

In their communiqué on the subject issued on 14th December 1931, the Madras Government stated as follows: -

'In conformity with the announcement made by the Finance Member of the Government of India regarding the duration of the cut, these measures will be of a temporary nature not extending beyond the needs of the present exceptional emergency and will be removed as a first measure of relief as soon as financial conditions improve. There is no present intention that the cut should remain in operation after the 31st March 1933.'

"When I presented to this House the Budget for 1932-1933 on 24th February last year, the position was that we expected to close 1931-1932 with a deficit of Rs. 50¾ lakhs, for 1932-1933 we hoped for a balanced budget after allocating for Part II Schemes a small sum of about Rs. 8¼ lakhs. The objection that our pledges, which I have quoted, precluded us from allowing even this small additional expenditure was met by the argument that, with a trifling revenue surplus of this amount, we should not be justified in assuming such an improvement in our finances as would warrant us in removing the cut. I pointed out that, before we could contemplate dispensing with the temporary expedient of the pay cut, we must realize or have in sight a very much more substantial margin of revenue over expenditure than Rs. 8¼ lakhs and that, within the period of grace secured by this exceptional measure, we must find means, in accordance with the pledges given, to balance our revenues and expenditure without its aid.

"In the opening part of my speech to-day I have indicated what we have done and I venture to claim that it is no inconsiderable achievement, and that, making due allowance for the improvement in revenue, the Madras Government have not paid mere lip-service to the cause of economy: with the assistance of the Retrenchment Committee they tackled early in 1931-1932 the disagreeable task before them, with the result that, whereas the year 1930-1931 closed with a deficit of Rs 105¼ lakhs, the next year (1931-1932) closed with a small surplus of Rs. 5·41 lakhs of Revenue over Expenditure against an anticipated deficit (Revised Estimate) of Rs. 50·74 lakhs, while in 1932-1933 and in 1933-1934 we anticipate a comfortable surplus of Rs. 60 or 70 lakhs in each year. Such being the position, the Government feel that they would not be justified in retaining any longer the temporary expedient of the pay cut, the removal of which has been declared to have the first claim on their resources and which they are pledged accordingly to dispense with at the earliest opportunity. They have decided to honour their pledges to the extent of their authority to do so. To this they

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attach the greatest importance, not merely because of their promises, but because, in the interests of the public service, it is essential that the sense of security which is the principal consideration that attracts good men to the service of Government should not be impaired.

Remission of Land Revenue.

17. The second matter to which special reference must be made is the proposal that an all-round reduction of Land Revenue by 12½ per cent or 2 annas in the rupee should be given. The actual proposal was that this reduction should be made for one year only. It has been calculated that the total amount of revenue thus sacrificed would be about Rs. 74 lakhs, say three-fourths of a crore. A Resolution to this effect was carried by a large majority at the last session of this House after the House, by voting the closure had refused to hear me on the financial implications of the motion. I suggest that this is regrettable, not because I am optimistic enough to suppose that, on such a matter, anything I might have said would have led to the rejection of the motion, but at least the House would have had presented to it the other side of the shield; and a verdict of the House, arrived at after considering the question in all its aspects, would have carried correspondingly the greater weight. The Government have, however, considered the question raised with the care which its importance demands but have not seen their way to acting upon the Resolution for reasons which I shall briefly indicate. Taking first the financial aspect, I do not deny that, so far as the current year 1932-1933 and the next year 1933-1934 are concerned, it would not be impossible for us to find the requisite sum, which would be charged partly against the Revised Estimate for the current year and partly against the Budget Estimate for its successor; and we might still have been able to find during 1933-1934 a certain amount of money for expansion besides giving relief in respect of the pay cut. But we should certainly not be able to entertain many schemes, which though urgently necessary and desirable in themselves, involve large commitments beyond 1933-1934, and the restoration of the activities of Government in many directions will be inevitably and probably indefinitely retarded. I shall, of course, be told that the Resolution contemplated a remission of 12½ per cent for one fasli only, and that afterwards the 'revenue cut' will be restored. As regards this 'revenue cut' nothing is to my mind more certain than that it will not be confined to a single fasli. We hope for improvement in the general economic position and there are some signs that that hope is justified. But it is unlikely that recovery will be sudden and sensational, or other than slow, and, in that case, human nature being what it is, it is pretty certain that in 12 months' time the insistence of our friends the mirasidars will be no less vigorous for the retention of the 'cut' than it is at present for its introduction. If that should be so, the position will be, as I have indicated, that the Government will be disabled to the extent of three-fourths crore a year for meeting the demands for increased expenditure and for financial aid that are daily pressed upon them, from every side.

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"At the risk of repetition let me again remind the House of the position we are in. Faced, two years ago, with a heavy deficit and with the prospect of a serious collapse of revenue, we set vigorously to work at the distasteful and thankless business of retrenchment—and how distasteful and thankless no one knows better than myself. In all directions, like every one else in these days of general depression, we had to curtail expenditure, to dispense with luxuries, and to eliminate waste. In the process we have not hesitated in the effort to rehabilitate our finances to cut down even to the bone and to reduce beneficent expenditure in many directions, which we should normally have been reluctant to curtail. In our principal object, I believe we have succeeded. It was never my intention nor the intention of the Government that this reduction in the 'standard of living' of the State—if I may so put it—should be indefinitely prolonged. But, if the Government are now to give up Rs. 75 lakhs a year out of the Land Revenue, the single stable source of revenue they possess, the process of recovery cannot but be retarded, and to a proportionate degree the demands on Government from other directions, for Education (for instance), for measures of medical relief, public health, for the uplift of the backward and depressed classes and various other claims, must rest unsatisfied.

"Add to this that the financial prospect of the next year or two is full of uncertainty. We do not know, for instance, how we shall stand as the result of the Reformed Constitution, or the introduction of Federation. It seems not improbable that in certain directions the cost of administration may be increased rather than diminished; it is as yet uncertain whether some system of Provincial Contributions may not be imposed upon us. It has also to be remembered that we have to contemplate the possibility of other vicissitudes of a more familiar kind, that may adversely affect our revenues and might, when taken in conjunction with a largely reduced Land Revenue, disable the Government possibly for a considerable period from pursuing any 'nation-building' schemes whatever, substituting stagnation or even retrogression for development and progress.

"I have attempted, in what has just been said, to put before the House an aspect of the matter which was not perhaps sufficiently present to the minds of many members who voted for the Resolution. I am far from saying that under no conceivable circumstance is relief to the payer of Land Revenue thinkable. The Government realize that the decline of prices of agricultural produce has adversely affected, in different degree, those who depend on the land for their living or their income, but they are unable to accept the present demand which is one for an all-round reduction of Land Revenue regardless of the circumstances and conditions which vary from district to district. As the Hon'ble the Revenue Member told the House during the recent debate, the Government have been watching the position with full attention; the existing system of Land Revenue administration is sufficiently flexible to enable them, should occasion require, to take such steps as they may be convinced are necessary, without adopting the expedient which is now pressed upon them. The demand has its origin among the

mirasidars of the Tanjore district. The Government cannot be accused of neglecting the interests of that district, as the expenditure of over Rs. 6 crores on the Cauvery-Mettur Project witnesses. In the present Budget, provision is made for several other important irrigation schemes for their benefit. Their difficulties have recently formed the subject of a special investigation by an officer of the Agricultural department deputed for the purpose, whose report is now under consideration. I am unable now to say what conclusions will be reached, but one point that appears to emerge is that the particular kind of rice which has long been their principal product has ceased to command its old markets, in Ceylon and elsewhere, in competition with rice from Burma and from the northern districts of the Presidency. If that is so, it may well prove that the solution of their troubles will in part be found in adapting the agricultural practice of the district to the changed conditions, so as to substitute the growth of products which can command a better market in lieu of those which do not. Connected questions also arise; such as the grievances in respect of railway freight, the question of re-opening certain minor ports and of improving by other means if possible the marketing facilities of the district. I can assure the House that these important matters will receive the close and early attention of the Government.

Conclusion.

"15. I do not think I need detain the House longer with further observations on the estimates which I now commend for their acceptance.

"I would beg permission, before concluding, to express my thanks to the Members of the House who have served on the Finance and Public Accounts Committees for the valuable assistance and advice they have afforded. Lastly I have to express once again my own and the Government's cordial appreciation of the devotion and care which the Financial Secretary Mr. Hood, and the officers and staff of the department have brought to the discharge of their duties, not in connexion with the Budget only but throughout the year. They have continued to maintain in all respects the high standard of efficient financial administration for which the Government of this Province has been noted and to which we owe largely our present relatively favourable financial position." (Applause.)

12 noon. * The hon. the PRESIDENT:—"The general discussion on the Budget will commence on the 27th February 1933. During the discussion, I propose to prescribe a time-limit of 20 minutes for the speech of the Leader of a Party and 10 minutes for the speech of any other Member. I would suggest that the reading of manuscript speeches should be exceptional. In regard to such speeches I propose to prescribe a time-limit of 6 minutes. The afternoon of Wednesday the 1st March 1933 will be at the disposal of the hon. Members of Government to make their replies.

"2. I take this opportunity of suggesting as I did last year, to the Leadrs of various Parties to consider the possibility of arranging with

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the Members of their own and of other Parties that motions at the time of the voting of grants do not overlap one another and that they are confined to important matters. I expressly stated last year that it was not my intention in any way to restrict the rights of hon Members to give any cut motions they like But hon Members must have noticed that year after year notices of hundreds of cut motions are given but that not more than a few are taken up for discussion And my suggestion is only intended to avoid the waste involved in arranging and printing too many motions which have no chance of being reached in Council and which sometimes have the effect of preventing the discussion of really important subjects which the House may wish to concentrate upon.

"3 The House will adjourn and meet again on Monday the 27th February 1933 at 11 a.m."

R. V KRISHNA AYYAR,
Secretary to the Legislative Council.

APPENDIX I.

[Vide answer to question No. 371 asked by Mr A. B. Shetty at the meeting of the Legislative Council held on the 25th February 1933, page 113 supra.]

Grants—Aided Elementary schools.

District.	Day schools. Grant assigned.	Grant paid	Percentage reduction.
	RS.	RS.	
Ganjam	2,24,726	1,57,824	30
Vizagapatam	2,15,594	2,15,594	..
East Godavari	1,57,095	1,27,553	19
West Godavari	1,41,363	1,41,363	..
Kistna	1,72,401	1,68,688	2
Guntur	3,13,000	2,97,150	5
Kurnool	1,19,236	1,05,780	11
Bellary	61,929	61,929	..
Anantapur	58,600	57,823	1
Cuddapah	1,15,200	94,000	18
Nellore	1,48,314	1,36,704	8
Madras	1,88,654	1,61,296	14.5
Chingleput	1,4[illegible],710	1,17,771	19
North Arcot	1,57,444	1,37,718	12·5
Chittoor	97,587	97,587	..
South Arcot	1,95,527	1,64,063	16
Tanjore	3,12,500	2,09,098	33
Trichinopoly	1,30,387	1,30,530	..
Madura	1,69,161	1,40,698	17
Ramnad	2,61,618	2,35,611	10
Tinnevelly	5,41,293	4,85,169	10
Coimbatore	1,22,900	1,05,057	14·5
Salem	81,124	67,477	17
The Nilgiris	50,413	44,568	11·6
Malabar	9,82,542	8,75,173	10
South Kanara	2,37,961	1,81,594	23·3

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Appendix II.

[Vide answer to question No. 572 asked by Mr. A. B. Shetty at the meeting of the Legislative Council held on the 25th February 1933, page 113 *supra*.]

Grants Aided Elementary schools.

District.	Night schools. Grant assigned.	Grant paid.	Percentage reduction.
	RS.	RS.	
Ganjam	2,924	1,754	40
Vizagapatam	12,523	12,523	..
East Godavari	31,905	16,887	50
West Godavari	4,308	4,185	3
Kistna	14,867	5,086	66
Guntur	2,981	2,981	..
Kurnool	16,836	5,570	66
Bellary	1,473	1,473	..
Anantapur	6,094	2,521	59
Cuddapah	2,000	2,000	..
Nellore	4,939	4,939	..
Madras	8,909	7,459	16
Chingleput	4,101	3,179	22
North Arcot	5,416	5,416	..
Chittoor	3,067	3,067	..
South Arcot	18,425	7,269	* 55
Tanjore	5,530	632	88 5
Trichinopoly	2,718	2,174	20
Madura	2 295	2,295	..
Ramnad	3,964	3,668	8
Tinnevelly	9,716	2,847	70
Coimbatore	3 771	3,535	7 5
Salem	3,450	1,591	54
The Nilgiris	665	631	5
Malabar	4,841	4,538	6 25
South Kanara	566	526	7

Appendix III.

[Vide answer to question No. 574 asked by Mr. K. Singam Ayyangar at the meeting of the Legislative Council held on the 25th February 1933, page 114 *supra*.]

G.O. No. 1679, Law (Education), dated 19th September 1924.

The subsidies granted from Provincial funds to local authorities (taluk boards and municipal councils) for elementary education fall under the following heads:—

(i) Subsidies granted prior to 1st April 1921, and coming within the purview of the proviso to section 37 of the Elementary Education Act, 1920;

* Three schools have not yet been assigned grants.

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(ii) subsidies for the maintenance of day and night schools opened subsequent to the 1st April 1921;

(iii) subsidies for the maintenance of Government girls schools transferred to the management of local authorities in 1922 and subsequent years; and

(iv) other subsidies for elementary education, e.g., subsidies for the payment of the temporary allowance of Rs. 4 per mensem to teachers in the employ of local authorities.

2. *Subsidies falling under the heads (i), (v) and (vi) in paragraph 1, Education Act.*—These are paid in full annually, to all local authorities irrespective of savings, if any, in the contributions paid in previous years.

3. *Subsidies falling under the heads (ii), (iii), and (iv) in paragraph 1 above.*—The present practice in regard to these subsidies is to deduct the savings in the amounts paid in any one year, from the payments made for the succeeding year. Under section 52 of the Madras Elementary Education Act, 1920, the constitution of a distinct elementary education fund is obligatory on all local bodies. The Government have also definitely ruled that a local authority should not, without the special sanction of Government, reduce the amount of contribution to be paid from its general revenues, as fixed in the orders issued on the budget of the elementary education fund under its control. They have further ordered in G.O. No. 978, Law (Education), dated the 16th June 1924, that the elementary education fund of each local authority should be kept separate from its general funds, and subjected to audit as a distinct fund and that no portion of it can be diverted to purposes unconnected with elementary education. In view of these orders, the Government are pleased to direct that the present practice of deducting savings in the subsidies falling under the heads (ii), (iii) and (iv) in paragraph 1 above be discontinued with effect from the next official year and that the subsidies in question be paid in full every year without deduction for savings. Such payment will, however, be subject to the condition that the local authority continues to maintain the full number of schools for which subsidies have been granted, prior to, and subsequent to, 1st April 1921, and that the schools are certified to be in an efficient condition by the inspecting officers of the department.

(By order of the Government, Ministry of Education)

V. T. KRISHNAMA ACHARIYAR,
Acting Secretary to Government.

To all Presidents of Taluk Boards.
,, all Presidents of District Boards.
,, all Chairmen of Municipal Councils.
,, all Presidents of District Educational Councils.
,, the Director of Public Instruction.
,, the Accountant-General.
,, the Finance Department.
the Examiner of Local Fund Accounts.
,, the Local Self-Government Department.
,, the Revenue Department.
,, the Registrar-General of Panchayats.

by an outside authority. The district board has neither the incentive to nurse their growth nor is given the opportunity to develop a sense of public responsibility to increase funds. (c) The fourth item, namely, 'Licence fees,' is the only item that may be useful in times of need, since its extent and nature can broadly speaking be determined as the position stands at the time of writing this report by the district board.

12. *An observation or two on 'ferries' and 'avenues.'* Two minor, and in some places important sources of revenue may also be recorded here. 'Ferries' at the present stage of transport, yield a good income in some places. A vigorous development programme of bridge-building, combined with the legitimate claims of 'panchayats' to manage these services may in the long run diminish the income from this source. 'Avenues' have afforded a fruitful source of income to many district boards. In recent times, however, there is a lack of foresight shown by several local bodies in regard to the nursing of avenues and ensuring a steady income for the future. 'Avenue nurseries' that may develop into income-yielding full grown avenues are practically unknown. It will not be a surprise, if income from 'Avenues' completely disappears in the near future.

13. The difficult and cheerless revenue position explained in the preceding paragraphs have not been helped either by the manner in which the district boards spend their available resources or by the nature of the services themselves, that are administered by them. The reflections that suggest themselves on a contemplation of the spending activities of the district boards may, therefore, be grouped under two headings:—

(a) Administration of the available funds.

(b) Nature of the services.

14. The technique of budget framing is not understood by several boards. The primary objects of regulating expenditure with reference to a budgetary scheme are two: (i) to enable the competent authority to regulate the use of funds on the various services in the proportion considered desirable, (ii) to restrict expenditure as far as practicable to receipts. That neither of these objects have been kept in view has been indicated in the individual reports. Estimates of receipts are more often during over-estimates. Sufficient provisions are not usually made for inevitable payments. The scrutiny of the budgets made by Government under section 117 of the Madras Local Boards Act is therefore rendered ineffective. Even if suitable corrections are directed to be made, the importance of regulating expenditure under each item according to budget provision is not sufficiently realized. A general result has therefore been excess of a year's expenditure over a year's receipt.

15. Disregard of the restrictive and regulative influence of the budgetary scheme leads to a constant commitment that overshadows the normal position in the coming years. This may be illustrated with reference to three major heads of account. First, "Management": it books mainly the expenditure on 'the Staff.' The chapter upon ending 1931-32 indicates not only a progressive growth in expenditure, but, what is more serious reveals also a few disturbing features that are likely to embarrass the future. Annual increments are granted liberally in the course of the year. Several scales of pay in a small office are introduced. New posts are created which though temporary at first encourage a claim for the holder later, which the boards find it difficult to resist. Secondly, 'Communications': the administration of the transport service is by far the most important service in a local administration, and if not the only vital one of the local services certainly the most popular, and the most expensive of them. About 75 per cent of the total expenditure of a district board is on 'Communications.' Under this head also there is the usual growth of expenditure which is rendered more and more alarming for the future by the commitments made without regard either to budget provision or to the financial ability of the board to meet the additional recurring expenditure in pursuance of the road development programme. The tale of the unpaid liabilities on 31st March 1932, and of the number of incomplete works awaiting provision of funds told in the individual reports is a result of such policy. The recent formation of the village development fund for capital expenditure, and the policy of Government in permitting the use of the capital at the credit of the railway cess account, noticeably in the Circars, have opened out possibilities for adding permanently to the recurring ordinary expenditure of the district boards. He will be a bold man who would assert that the normal financial capacity of these boards, even before it was affected by the recent abolition of tolls was such, as

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to find the necessary additional funds for the final and complete legacies of the road development programme. Finally the administration of the service known as 'Education other than Elementary' does not indicate signs of either prudence or financial foresight. Expenses on staff have increased. This increase, though it may to some extent be due to the effect of the time-scale, is generally due to a liberal revision of scales, grant of advance increments, increase in staff and new schools. One may not be altogether justified in comforting himself with the consolation that the increased expenditure on schools must have led to increased efficiency, for library and other equipment have been neglected. It is a unique feature that in almost all the boards the provision for equipment, library, etc., has been kept down. At any rate no appreciable increase is recorded. It would have been welcome if this instinct for economy has been shown with reference to opening of new schools or undertaking the management of old schools run by others. When the secondary schools were handed over to the district boards Government [illegible] to have agreed to pay the net cost. But it was not apparently imagined at that time that this net cost would be varied by the boards at a pace that could not be calculated by Government. At some stage, therefore, Government fixed the amount of [illegible] the [illegible] would have been to undertake the cost of running new schools, after first ascertaining (a) whether the board's finances would [illegible] additional permanent burden, and secondly, even if the boards could foot the bill, whether competent educational [illegible] that a new school of the kind proposed is a felt need. As far as I was able to gather such considerations appear to have been, if at all, rarely brought to bear on the question [illegible]

16. While it is regrettable to notice such defects in the financial administration, it is extremely difficult to state whether they are due to (a) the inherent weakness in, or unsuitability to local conditions of, the constitutional structure of the district boards, or (b) to the [illegible] of running the administration, (c) the nature of the services themselves. Of causes (a) and (b) it is not the province of this report to examine and determine. It must content itself with an observation that while serious financial defects of the type noticed must invite the earnest attention of those empowered to consider and effect administrative reforms, they have, as far as this financial report is concerned, contributed a certain amount of uncertainty and complication in the financial sphere, so as to make the task of determining the normal financial position and suggesting its stabilization, difficult. A more detailed reference to this aspect of the problem is made in Part II of this chapter. Regarding (c), namely, the nature of the services, one must find that though it does not directly contribute to the [illegible] financial administration [illegible] funds or no funds: makes it difficult to arrest undesirable growths; and after reaching a certain stage of development demands a certain amount of minimum funds, which, if denied or curtailed, results more often in disastrous consequences.

17. What is then the nature of these services that lead to such results? The chief social services under the care of the district boards are Communications, Education other than Elementary, and Public Health. It has been indicated that 75 per cent of the total expenditure is on 'Communications.' Of this expenditure, about 10 per cent to 15 per cent represents the expenses on the technical staff, and the rest on road maintenance. It has been generally recognized that any undue stinting on maintenance is wrong economy, and if pushed beyond a limit or postponed unduly, the damages caused will require much additional resources to restore the roads to tolerable state of repair. Again whatever the financial [illegible] and road development at the present moment, it seems to be admitted that about Rs. 500 to Rs. 750, a mile on trunk roads, about Rs. 200 to Rs. 300 on other roads (excepting those in the deltaic and hilly tracts) represent the minimum required for maintenance. Generally speaking, with the exception of Chingleput and Ramnad, this figure has not been exceeded. When that is so, it is difficult to adjust expenditure to violent revenue fluctuations and certainly impossible to adjust it to a permanent depletion. Expenditure on the Engineering establishments may perhaps be adjusted a little but the relief would not be appreciable. A remedy is to curtail mileages, but whatever the future line of development and its possibilities, it seems to be generally admitted that the districts have not yet reached the maximum mileages consistent with the requirements of modern times. The

nature of a service that absorbs approximately three-fourths of the receipts of the district boards is therefore not such as either to admit of a ready contraction to help depleted finance, or to remain fallow for some time to tide over difficulties. The next service is 'Education other than Elementary'. It is difficult to vary the standards of expenditure within a given time. Within a given budget, the bill for staff is the major item and the stipulated contracts could not be varied at will. Barring the expenditure on staff the expenditure on other items is negligible. New schools easily opened cannot be as easily closed. Sufficient notice to students means delay. Therefore, while the growth in expenditure on this service can be checked by prudent and courageous administration, it is difficult to readjust expenditure when once a certain standard is reached. The third service 'Public Health' is in its infancy. Recently Government have placed at the disposal of the district boards the services of qualified officers. The expenditure incurred out of the district funds is mainly on the Travelling Allowances of [illegible] and the staff under the District Health Officers. Some funds are also provided for the epidemic diseases [illegible] as a district [illegible] such as do not possess a developed health organization [illegible] the Public Health activities to be effective should not be cramped by scanty provisions. It is admitted that the money spared by the district boards for Public Health is very meagre, and if at all, the nature of the service is such as to demand more and more. Summing up the review of the nature of the services administered by the district board, it is clear, that they would not admit of much contraction, that to reduce the provisions that are being made at present is mistaken economy, and if at all, these services may admit of further development. It is needless to argue out at length the imperative social need to find enough funds for these services, and to demonstrate the harm to society if they are neglected on the plea of inadequate resources. Transport is vital for trade, Education necessary to discharge a citizen's duties and to shoulder his responsibilities in a modern State and Health to ensure effective living and prosperity alike.

18. The opening paragraph of this Chapter (paragraph 6) noted the stark and unenviable fact of a huge deficit. The succeeding paragraphs pointed out (*a*), the causes for the deficit, (*b*) the inexpansive nature of the revenue heads, and (*c*), the defects in the financial administration and the nature of the services that acted on the one hand as a contributory cause in increasing the difficulties to balance accounts, and on the other, made it impossible and undesirable to curtail expenditure. It is now the task in the light of these findings to suggest ways and means to cover up the deficit so as to ensure a stable financial position for the district boards.

Part II. Proposals for stabilization of the Finances of the District Boards.

19. It must be clear from what I have said in the individual reports, and from what has been noted in the preceding part of this chapter that the problem of stabilization of the district board finances is largely a problem of finding additional resources. But it is well before examining this problem to satisfy ourselves that all possible sources of economy have been investigated. The revised budgets recommended for adoption have themselves been framed on the minimum possible provision for expenditure after taking into account the economies that each board could make. There remain however some proposals of more [illegible] application which if adopted, may, if not capable of reducing the expenditure, at least check its further growth in the years to come. They may be noted here under the major heads of account.

(i) *Management.*—The strength and the scales of pay of the clerical staff in the district boards [illegible]. Details for each office are given in the individual reports. The striking features are (*a*) general over-staffing especially in the District Engineers' offices, and (*b*) numerous scales of pay in one office, and differing scales of pay among the district boards. The President's offices are not in many cases, prima facie, over-staffed. But the same impression cannot be gathered from a scrutiny of the staff in the District Engineers' offices. It strikes one as likely that the supernumerary clerks are shown in the District Engineers' offices. The number of clerks in the Assistant Engineers' offices and Overseers' offices may admit of reduction. As for scales of pay, the pay of the Chief Ministerial Officer varies from Rs. 150 in a district to Rs. 450 in another. Among the clerks, in an office, there is usually three to five scales. Striking differences in scales are noticed even between the neighbouring districts. Apart from the administrative confusion, weakness, and lack of co-ordination which these facts indicate, they result

n avoidable waste. Government may therefore, urge the district boards to conform as far as possible to the clerical scales in the Collector's offices, and to evolve a schedule of establishment with, say, not more than three scales of pay one for the Chief Ministerial officer, one for the accountants and one for the clerks [illegible] grade, if necessary. [illegible] scales are luxuries in a local office and if their range and variety are not restricted, it is difficult to either forecast or keep under check, their cost.

(ii) *Communications.*—Expenditure on this service represents a large proportion of the district board receipts. Road maintenance costs a good bit [illegible] year after year. Road construction is very popular. The financing of roads is a problem that must be solved with reference to the future policy of road development. Road development in all its aspects will probably be dealt with by the special committee appointed by the Government of India. Some tendencies noticed by me may however be noted here:—(*a*) There is no well drawn out programme for the whole district prepared after a suitable survey of the lay-out of the district and its requirements, and (*b*) there is avoidable [illegible] district authorities, district boards, taluk boards and panchayats constructing and maintaining roads. The fact has been noted in Part I of this chapter that the road development programme now being pursued by several district boards will lead in no distant time to a position, when the district boards could not afford to maintain the roads under their charge in proper repair. [illegible] lead Government to take stock of the position and cry halt to many of the schemes they have [illegible] out of the railway [illegible]. The multiplicity of authorities, apart from introducing complications in the lay-out of the roads, leads to two unwelcome results: (1) rushing into [illegible] that mortgages the future unduly, and (2) unnecessary work in the Engineer's offices. A president of the panchayat, a president of a taluk board, and a president of a district board are all equally anxious to enter into contracts and several works are started without adequate financial scrutiny. A scrutiny of the various contracts entered into by the President, District Board, South Arcot and the President, District Board, Nellore—to mention only two examples during the last half-year will indicate how on the eve of the elections several new works are discovered to be necessary in the interest of 'Transport' in the district. In some districts, especially in Malabar, it was noticed that presidents of taluk boards ask for estimates without the least idea of finding sufficient funds for them. The District Engineer [illegible] to spend much time on these estimates—estimates for works that are never started, and it is not [illegible] that a part of the technical staff at the disposal of the Engineer is utilized for this ineffective and avoidable work. It is difficult to suggest suitable remedies at this stage [illegible] road development, but [illegible] due course the desirability of introducing the following reform:—(*a*) to establish a road board with representatives of the local boards and Government, and entrust it with the sole responsibility of chalking out a road development programme and (*b*) to relieve all authorities except the [illegible] of any responsibility for any road maintenance, except perhaps to allow the panchayats to lay out and [illegible] village roads, without the need [illegible] Public Works Department procedure and the supervision or [illegible] of the district engineering staff.

(iii) *Education other than elementary.*—A large portion of the expenditure is on staff. An attempt may be made to [illegible] scales of pay. The strength of the staff in each school [illegible] more effective, the [illegible] school may be fixed at a maximum figure. Even these may not lead far. The tendency to open or take over schools should be checked. A survey of the number of schools maintained by each district board with reference to the number of students [illegible] requirements of the concerned locality will lead to some economy.

(iv) *Public Health.*—This service is in its infancy. The only observation that could be made is that the money [illegible] to be largely ineffective, since it is not enough. Provisions are at present made just to combat epidemics, when they break out. The preventive part of the department's work is not yet fully developed. A suggestion that may find favour with a financier anxious to balance a budget is likely to be this: since the district boards are not in a position to exploit the health staff to most effective results, a wiser course would be to transfer the responsibility to Government to administer the service as part of the medical department. This would lead to a slight extra burden

to provincial [illegible], which it would not be in a position to bear at present.

20. To sum up:—(i) strength in the clerical staff in the offices under the district board may be reduced, (ii) scales of pay may be made as uniform as possible among the district boards and [illegible] the road development programme must be [illegible] and [illegible] formed [illegible] the need for the number of schools under each district board may be examined and (v) the [illegible] of transferring the health services to Government may also be investigated.

21. If the suggestions made above are accepted, it [illegible] to keep under some determinable figure the ultimate expenditure of the district boards. But it [illegible] impossible that we could find (1) the additional 15 lakhs or so that is absolutely necessary to balance the normal budget, and (2) the additional 15 lakhs that may be necessary to enable these boards to finance unforeseen and [illegible] necessary capital expenditure. It is therefore necessary to examine the possible sources from which the district board's receipts could be augmented.

22. Receipts could be augmented either by further exploitation of the existing sources [illegible] by [illegible] recourse to such sources suitable for local taxation. It is necessary to examine first the possibilities for exploiting further the existing sources. As noticed in Part I of this chapter, the [illegible] existing sources are [illegible] land-cess, Government grants, avenues and bus licence fees. The first two sources cannot be regulated at will by the district boards. The amount of the land-cess is determined by the legislature. In 1930 the amount was fixed at 18 pies in the rupee and the district board's [illegible] fixed at [illegible] A new [illegible] the Village Development Fund was formed and one-sixth of the land-cess credited to it. This has taken away a good portion of the district fund's receipts. The only way to get more is either to abolish the Village Development Fund or increase the land cess. Both are impracticable at the present moment. Secondly, Government grants are determined by the actual sums spent on specified services. Whether it is within the capacity of provincial finance to make increased grants, it is not within the scope of this report to determine. But it may be noted that constitutional reforms of far-reaching financial consequences are on the anvil and any suggestion to modify the existing system so as to yield more money to the district boards would be rejected as inopportune. The two remaining sources are 'Avenues and bus licence fees.'

23. 'Avenues' have been yielding handsome revenue in some districts. It has been noticed in Part I of this chapter that the income from this source is gradually [illegible] do that with some effort and a well-defined policy, the income could be revived especially in [illegible] the Tamil districts in the East Coast. A recommendation may [illegible] this source and the District Engineer specially asked to pay [illegible] attention to it. But it is certain that it would not yield at any time additional revenue [illegible] to relieve the present financial stringency.

24. 'Bus licence fees' is [illegible] source but at the present day it is the [illegible] Part I of this chapter. It is difficult in the existing circumstances to make this source yield more than what it has been yielding in 1930–31. It is necessary to take all measures to check the threatened fall. The rates under the Motor Vehicles Act [illegible] licence fees fixed by several district boards have contributed to scare the bus industry off the road. The current year therefore records a distinct fall in income. Again, the rates prevalent in the districts are so varied and complex that they introduce uncertainty into a [illegible]. The remedies attempted so far, as for example, Government's [illegible] to standardize the rates, appear to have paid inadequate attention to the [illegible] interests of the district boards. The points to be considered [illegible] of this source of revenue, appear to be the following:—(a) it is desirable to work out a fairly uniform rate, fixed according to seating capacity, miles to be travelled, and the special conditions of a district. (b) The bus industry should not ultimately be driven out of the road but be encouraged to develop. (c) The financial effects on the district board should be carefully assessed and any measure that may be [illegible] should not tend to reduce the income already accruing from this source. If suitable steps are taken considering all the three conditions mentioned above, there is a reasonable prospect of some increased receipts from this source of revenue. But the prospects are not so bright as to relieve the present financial gloom, and it is therefore necessary to turn to fresh sources.

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25. Before so turning however a suggestion or two regarding two of the minor items of the District Board's receipts may be made:—(a) *School fees.* Several district boards levy only eight instalments of fees. The net cost of education other than elementary has been gradually increasing. The district boards may be asked to levy all the nine instalments. Again [illegible] concessions are freely given to the backward classes. Fee concessions should chiefly be based on poverty and merit. Merit need not perhaps be insisted upon in the case of the backward classes. But there appears to be no justifiable reason to give the concession to the rich parents even though they may belong to the backward classes. (b) *Public Health.*—Dispensaries [illegible] render free medical aid to all and get contributions [illegible] some district boards. Some district boards provide large sums to such contributions. A sound rule may be, to require payment from well-to-do patients. There are admitted administrative difficulties and the trouble taken may not be commensurate with the [illegible]. But such a step may lead to [illegible] dispensaries maintained wholly at the local boards' cost and to encourage the aided rural dispensaries.

26. It is now the stage to note and examine the possible fresh sources of revenue to the district boards. Under the existing constitution the district boards are not sovereign bodies—that is to say [illegible] discretion to tax the community—but 'created' and [illegible] within the four corners of an Act of the provincial legislature. The sources that could be tapped must be those that are specifically allotted to the district fund in the Act. These have already been detailed in Part I of this chapter and their nature examined. There is one item that has not received sufficient attention so far and it may be examined here as the first possible additional source. The item is No. 14 of rule 5 (e) of Schedule V to the Madras Local Board Act:—"Income from railways, tramways, ropeways, motor omnibus and other transport services maintained by the district board."

27. This provision enables the district board to maintain railways, tramways, ropeways, motor omnibus and other transport services. Railways, tramways, ropeways and other transport services may be ruled out for the present. The question whether a district board may not be enabled to run profitably a motor service may merit examination. It appears that Tanjore was running it profitably, till it was sent out of the market by cut throat competition. The point to be examined is whether the district boards should be allowed to maintain a motor service, and if so on what conditions. [illegible] on the right policy in the matter of public bodies running a business concern. It seems however to be fairly accepted that if the business concerns a public utility service it is one properly to be tackled by a Public Authority. There are two opinions on the question whether transport is a public utility service or not. It may therefore be admitted that there is no objection on theoretical grounds, for the district boards to maintain a motor service. But to be successful it can be only on the conditions under which public utility services are managed by local authorities all over the world, namely, on monopoly conditions. It is therefore a point for consideration whether the district boards should be permitted to maintain its motor service on monopoly conditions. Government must first satisfy themselves whether the district boards as they are at present constituted are in a position [illegible] be granted. Granting that a district board would [illegible] maintain a motor service as a monopoly, the financial effects are likely to be these:—(1) Increased receipts—there would be of course be loss on bus licence fees, but the receipts may more than compensate the loss. (2) Decreased expenditure on road maintenance [illegible] roads will be better regulated. The existing [illegible] roads will [illegible]. But it must be admitted that the administrative difficulties in reaching this position at the present stage of Local Self-Government in this province are great and, therefore, even suggesting that Government may find it useful to investigate into this problem, apart from the point of view of [illegible] and regulated use of the roads, it is not possible to bank on this source to aid the district boards to the extent found necessary.

28. The second source that is possible under the Act is 'a share of the excise revenue collected in the districts' which the Local Government may transfer annually to the district boards under rule 7 of Schedule V to the Madras Local Boards Act. This share, if sufficiently large, may amount to over half a crore of rupees which will relieve the existing financial stringency. But any depletion of the existing excise revenue

will affect provincial finance. As observed before (paragraph 22) any proposal that adversely affects provincial finance is sure to be greeted as inopportune. The possibility of aiding the district boards with a share of the excise revenue is referred to here merely to record two alternatives: (1) Without amending legislation, it is possible, when circumstances permit, to find all the additional funds required to stabilize the financial position of the district boards from the excise revenue; and (2) the Government of Bombay pay a fixed sum to local boards in lieu of a share of excise revenue.

29. The Madras Local Boards Act does not indicate any other source of importance. It has been seen that motor service as a monopoly is not immediately practicable and even if practicable, its financial effects are uncertain, and at any rate not likely to yield the required additional revenue. A share of the excise revenue though likely to be adequate is not likely to be had in the near future. One is therefore driven to the position that measures that may require amendments to the Act will have to be considered if the district boards are to be saved from bankruptcy. Taxation measures of any kind are unpopular, but it would be admitted that a tax to which the people were accustomed, and which was being paid till recently, will meet with little opposition if it is levied again. Such a tax is 'tolls' but in considering the case for their reintroduction it is not enough to analyse the fact whether they are likely to meet with comparatively little opposition, but it should at first be noted whether (a) the tolls, if reintroduced, should be introduced in the same form as they were before, or (b) if to be modified, in what form to be reintroduced; and finally, (c) the financial results would be adequate to the needs of the district boards.

30. Should tolls be reintroduced in the same form as they were before their abolition? I may straightaway state my proposal in plain terms and explain the reasons briefly. The tolls should not be introduced in their old form, but in a modified form, so as to apply only to vehicles and other users of the public roads, who paid tolls before section 104 of the Madras Local Boards Act was repealed, excepting the vehicles propelled by motor. The motor cars, buses, etc., should be subject to the existing provincial taxation in lieu of tolls, and the proceeds divided as at present provided under the Motor Vehicles Act.

31. The reasons for this modified system of tolls are: (a) it meets the reasonable objections of the critics of the tolls system, (b) it is suited to Indian conditions, and (c) it is the only manner in which the users of the road can be made to bear the cost of road maintenance and development. I shall explain. The Indian Road Development Committee, indeed, recorded its opinion against tolls in the following unambiguous terms: 'Toll bars, which are usually about ten miles apart, are particularly obstructive to a rapid form of road transport. In our opinion, however, the objection to tolls goes far beyond the obstruction to motor transport. We have received ample evidence of the harassment to traffic of all kinds, and there is a strong demand that tolls should be altogether abolished. It may be argued, indeed, that tolls are paid in direct proportion to the use made of the road, that they are paid in small sums which the road user can afford, and that they are traditional to the country and cannot readily be replaced by any other form of taxation. But it is not disputed that delays to traffic and inconvenience to the public are inevitable incidents of the system. In addition, there is the practice of farming tolls which diverts a considerable part of the receipts to the farmer. Tolls are a form of local taxation with which, as we have said, we are not concerned. We may, however, express a hope that tolls on all traffic will be abolished as soon as possible and be replaced where necessary by some form of taxation that is less vexatious to road transport.' [illegible] recognize this ideal, the Madras Government formulated proposals to abolish the tolls replacing it by a system of vehicle taxation. The proposals noted as overriding considerations the annoyance to motor transport and the wastefulness inherent in the system of farming tolls. Annoyance to the rapid form of transport is admitted and as in any system of farming a certain amount of wastefulness is inevitable. But the modified proposal made here, namely, to reintroduce tolls for all modes of transport except motor vehicles, minimizes the force of these objections. In this province for several centuries to come it is hard to imagine that the slow moving country carts will be replaced to any appreciable extent by motor transport. Though some annoyance is likely, the tolls in this province do not appear to have been positive nuisances to the country carts. The Indian Road Development Committee observe that they have received ample evidence of the harassment to traffic of all kinds. It is not clear, however, how much of this evidence was given by representatives from Madras, and how many of those representatives

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were people who could talk with first-hand knowledge of the large illiterate body of country cart-owners. As far as it lay in my power, and to the extent possible within the short time at my disposal, I gathered evidence from these people which tends to indicate that they did not consider tolls as a harassment to them. They were accustomed to them by age long custom and when the alternatives of taxing their carts or taxing agriculture to make up the residual deficit in revenue now obtained from using roads, were put before them, they were unhesitatingly prepared to pay the tolls. It seems to me therefore that to damn this measure on the ground of annoyance is to give undue importance to an [illegible] motor users not conversant with rural conditions. As for the second objection, wastefulness; it must be admitted that there is some wastefulness But as against it one may note the following:—

(a) the collecting agency of any tax which is capable of replacing it is likely to be as costly [illegible] the [illegible] on correct profit earning methods, and that too under severe competition, may not be [illegible] what the general tax-payer will have to pay to the [illegible]

(b) [illegible] the exclusion of motors is likely to reduce the tolls proceeds by about 50 per cent

32. It is therefore seen that the proposal made here is likely to minimize as far as possible the objections generally advanced against the tolls. But a more convincing reason for advocating it is its suitability to Indian conditions. Whatever the condition of transport in other countries [illegible] future development [illegible] transport elsewhere, it is certain that for several years to come the chief means of transport in this province will be [illegible] It seems [illegible] to revolution[illegible] these modes of transport for two reasons:

(a) The province is largely agricultural, a given area of, say, thirty square miles supplies the ordinarily felt needs of the villager. It is quite easy for the country carts to cater to these needs.

(b) It seems unlikely that either the taxable capacity of the people or the condition of the soil in many fertile and wealthy tracts would admit of roads on a standard suitable to motor transport Therefore the carrier will have to choose between taxing himself on a general basis, that is to say, so much for each cart per annum, or to pay according to the use of the road. There is no difficulty in deciding which alternative he would choose.

33. This leads us to the third reason, namely, equitable burden on the user of the road and the general tax-payer alike The Indian Road Development Committee has noted this point, but has not attached much weight to it The original proposals of the Madras Government apparently considered this as a sound [illegible] since the Motor Vehicles Bill as it was originally drafted, left the tolls intact for all except the motor vehicles It has since been demonstrated by experience that any tax on motor vehicles cannot pay all the funds required to compensate the loss from the abolition of tolls. The intention of the reformers who were anxious to abolish tolls was to [illegible] vehicle tax appears to have given place to a tax on motor vehicles alone for political reasons Whatever the considerations, it is certain that a vehicle tax would involve inequality of [illegible] greater than tolls for carts In this province there are thousands of carts that never [illegible] road [illegible] the lands of the landowner, and a taxation, however small, [illegible] than the requisition to pay a small sum when a country cart happens to pass through a public road Tolls are paid only when a cart uses a road and that too according to distances traversed, and it is difficult to devise a more equitable system by which the road user will pay a reasonable share towards the expenses of [illegible]

34 There are admitted advantages and [illegible] therefore [illegible] tolls [illegible] form [illegible] tolls for vehicles, etc., other than motor vehicles The proposal is not new since it was the essence of the Motor Vehicles Bill as it was at first drafted It has been noticed that it meets all the reasonable objections of the out and out opposer of tolls. It is found that it is most suited to the conditions of this province and that in the face of the demonstrated results of a tax on motor vehicles alone, it is more equitable of the two proposals, namely, to tax the country carts or to impose tolls on them. It should be seen, however, whether it is likely to produce the additional revenue necessary for the district boards Before examining this question, it is necessary to notice at this stage, two objections vested with some political significance, to tolls on the country carts alone.

35 Stated briefly, the objections are these

(1) Motor vehicles are associated with the rich. If any car goes free at the tolls when the poor peasant who owns the country cart stops to pay, resentment, it is said, will be expressed at the distinction made between the rich and the poor.

(2) Tolls on country carts adds to the burden of taxation on the agriculturists. The first objection is more fashionable and fanciful than real. In the first place, it is not wholly true to associate all the owners of the motor vehicles with the richer classes. Under the hire-purchase system many bus owners come from the peasant class and they belong to the category of country cart-owners. Secondly, it is fairly generally known that the motor vehicles pay a heavy tax, and even the proverbially ignorant peasant is not so stupid as not to know this. I know the system of compounding the tolls had been in existence before, and no misunderstanding seems to have arisen when the buses passed the toll-gates free. The second objection has gained some importance in recent times. I have examined this at length in my individual report on the District Board, Chittoor. It seems to have been based on a misapprehension that the agriculturist himself transports his own produce. While this may be true in certain districts, it is not certainly true in many cases. The major[illegible] is effected by the professional body of cart-owners, and the small relief afforded by the toll abolition does not appear to have been passed on to the producer. Even assuming that in the long run the burden is shifted on to the agriculturist, it seems fairly certain that he would cheerfully bear this, if he realizes that the loss of this revenue would either lead to a taxation on carts or to a deplorable state of the roads.

36. Now, it remains to be considered whether the reintroduction of tolls would bring in an additional revenue of at least thirty lakhs. When the Motor Vehicles Taxation Bill was considered, it was noted that the revenue from all tolls amounted to about 60 lakhs and that motor vehicles should pay 40 per cent of tolls. The share paid by motor vehicles was, however, assumed at 50 per cent to be on the safe side and to allow for the increase in motor vehicles and decrease in carts. The later experiences of motor industry do not seem to justify the anticipations of increase and it seems unsafe to bank on any striking increase considering the poverty of the people and the peculiar nature of the transport service in this province. Anyhow assuming that 50 per cent is the share of the motor vehicles, the tolls on carts would yield about 35 lakhs. Reducing 5 lakhs as probable in the immediate future, till the tolls-organization gets going again, it does not seem to be rash to expect at least 30 lakhs from the reintroduction of tolls for country carts and other modes of transport excepting the motor vehicles that were subject to tolls before their recent abolition.

37. I would therefore earnestly commend the above proposal for the consideration of Government as the least undesirable and an immediately practical measure to stabilize the financial position of the district boards. I shall now restate the proposal and summarize the considerations urged in the preceding paragraphs

(i) Reintroduce tolls for the country carts, etc., excepting motor vehicles; the motor vehicles remaining subject to taxation under the Motor Vehicles Act.

(ii) The annoyance caused to traffic and the wastefulness inherent in farming the tolls are not so great as to render the measure [illegible].

(iii) Objections to it based on 'the resentment of the poor' and the burden on the agriculturists argument are fanciful and need not be given undue importance.

(iv) The additional receipts necessary to stabilize the financial position of the local boards could be realized.

38. If for reasons, political or otherwise, the above proposal to introduce tolls for country carts, etc., does not commend itself to Government, it would be necessary to look out for help from any new taxes in the realm of local taxation. This is a task that bristles with difficulties, and one better done by a committee of experts and representatives of local bodies. I may, however, invite the attention of Government to a few recommendations of two committees, whose proposals Government may find themselves obliged to examine, if the district boards are to be saved from bankruptcy.

39 I noted in Part I of this Chapter that the expenditure on roads absorbs a large proportion of the district boards' receipts. In the near future the district boards will find themselves taxed to their utmost to find the necessary funds for 'maintenance', but in a large number of cases 'road development' is

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popular. The capital at the credit of the Railway Cess Accounts is being rapidly utilized gradually decreasing thereby the recurring receipts by way of interest. If some 'means by which road development could most suitably be financed' could be found it may be possible to check the depletion of the Railway Cess accumulations and ensure some money with suitable amendments of the Act if necessary for unforeseen and capital expenditure. The Indian Road Development Committee 1927-28) went into this question and made several recommendations (Chapter VI). It may not be a fruitless task if Government would investigate, (a) how far the recommendations of the Committee were accepted; (b) what was the relief to the local boards' finance by the steps taken on the recommendations of the Committee; (c) are there any recommendations that were not accepted in full, and are there any that were partially accepted; (d) could any of them be pursued further and financial relief obtained. It is needless to refer in detail to the instructive suggestions made by the Committee, but I may record my impressions on reading Chapters V and VI dealing with financing of road development of the Committee's report. (1) The share of the Central National Governments in the expenditure on road development in several progressive governments of the world appears to be larger than the share borne by the Government of India. (2) Expansive taxes, the proceeds of which ought legitimately to be utilized on roads, as for example customs duties on motors and motor spirit are central taxes in this country. (3) The motor industry and transport in other civilized countries are so prosperous, widespread and rapidly expanding as to find, if a small tax is levied, a large proportion of the funds needed to finance road development and maintenance. The Committee's hopeful anticipations of more or less similar results of a tax on motor transport seem to appear optimistic in the light of experience gained under the Motor Vehicles Act.

40 Reopening of the points raised by the Indian Road Development Committee would inevitably bring in the big problem of the relations between provincial and central finance and provincial and local finance. A fatal objection would be its inopportuneness, even if one is rash enough to assume that the relief, if any, would be adequate to restore stability to the finances of the local boards. Therefore the recommendations of the Indian Taxation Enquiry Committee may also be briefly noticed.

41 The Indian Taxation Enquiry Committee (1924-25) after remarking "that the finances of local bodies all over the country are inadequate for the services which they have to perform," recorded it as their opinion that the general rate of taxation is undoubtedly low. "It is perhaps pertinent to remark," they write, "that, in this respect of local taxation, the incidence per head of the population in India is 1/152 of that in the United States of America, 1/121 of that in the United Kingdom, 1/15 of that in Japan, 1/14 of that in France and 1/13 of that in Italy" (Paragraph 454.) It is fair, however to qualify the comparison by two facts: (a) One of the causes of this low incidence as noted by the Committee, being the development of the local bodies as a process of devolution, and another, the fact that the taxation of real property which should be the mainstay of local taxation has in a great measure in India been reserved for the State; and (b) Sir Walter Layton's finding of the extreme poverty of the mass of the Indian people: British about £100 per head of the population annual income, Indian about Rs 107 (£8) per annum. (Paragraph 28 of Volume II Indian Statutory Commission Report.) At page 445 of their report, Volume I, the Indian Taxation Enquiry Committee summarize their recommendations for increasing the resources of local bodies. Several relate to municipal councils and they will be noticed in Chapter IV of this report. Those that relate to local boards are—

(1) Standardization of the land revenue so as to give greater scope for local taxation of land, and the imposition of special assessments,

(2) reduction of the import duty on motors to enable the local Government to levy a provincial tax for distribution in lieu of tolls, and

(3) granting of power to levy a fee for the registration of marriages in selected areas.

42 Standardization of the land revenue is a desirable reform. But how much scope that would give for local taxation, it is difficult to determine. To increase the cess of 18 pies made compulsory recently is not within the range of immediate practical politics. The Madras Government took the liberty to levy a motor vehicle tax in

lieu of tolls with disastrous results. Whether the law of diminishing returns which the tax has already brought into play will be converted into one of increasing returns is a speculation into which one need not enter at the present moment, in view of the financial position of the Government of India. The final proposal to tax marriages is a novel one, and if the inquisitoriousness of the tax payer at an auspicious occasion, is not likely to arouse much opposition, the tax may be easily collected and would prove fruitful. But the likely proceeds would not be adequate to the needs of the district boards.

CHAPTER III

Taluk Boards.

43. For reasons explained in Chapter I, I did not scrutinize the financial position of taluk boards. I had occasion to look into the statements of allocation of resources among the reconstituted taluk boards as submitted by the presidents. Some features that have been revealed in this restricted scrutiny may be noted here. These remarks may be taken as supplementary to those in the individual reports on the reconstituted taluk boards in Chingleput, Coimbatore and Malabar districts.

44. The most striking thing is the inadequacy of the receipts for the several taluk boards that had to be constituted on account of the recent policy of constituting one for each revenue taluk. In several cases, the general revenue is hardly sufficient to meet the establishment charges.

45. Secondly, financially the most important function of a taluk board is the administration of the Elementary Education Fund. Administratively, the taluk boards seem to be preoccupied with the popular service of 'Committees'.

46. The expenditure of these taluk boards barring the earmarked expenditure on elementary education is largely on 'Management'. In almost all offices the strength of the staff is too much and the scales in an office too many.

47. Provision of funds for roads is not adequate if it is to finance adequately a reasonable length of roads, and serves only to divert some money to ineffective channels of expenditure.

48. Elementary Education Fund looms large in the financial transactions of the taluk boards. The fund balances itself in several taluk boards though in some cases as Malabar, West Godavari and Kurnool, large diversions have been made from this fund, while the liabilities to be met out of this fund have been left unliquidated. There seems to be avoidable waste in the organization of elementary schools, in the staffing of them, and in the scales of pay ruling among the teachers.

49. Remedies may have to be sought in the following lines:—

(1) The splitting up of taluk boards should not be carried too far. At the time of writing these several have already been constituted. The working of these local boards for a year may be closely watched.

(2) The strength of the staff for each board must be fixed and the scales uniform. There need not be more than two scales in each office, and to give more than what is given to [illegible] Dearness allowance is [illegible]

(3) Taluk boards must cease to [illegible] road authority. Village roads may be the concern of panchayats, all other roads being left to district boards.

(4) Government may find it worth while to investigate whether taluk boards are suitably constituted to serve as elementary education authorities such as they practically are.

(5) It is understood that investigation into the administration of elementary education are conducted by a Special Deputy Director of Public Instruction. Points of financial importance that may be examined by him are (a) Strength of elementary school teachers, (b) scales of their pay, and (c) the need for division of schools into communal and sex varieties.

CHAPTER IV.

The Municipal Councils

Part I.—Financial position examined.

50. The financial position of all the municipal councils was not examined. But the few that were, indicated the fact that they have been severely cut by the abolition of tolls, and that their resources have not been sufficiently expansive to make good the loss on abolition of tolls. An indelible general impression is that the resources though more elastic than those of the district boards are not sufficiently remunerative, and that expenditure would not admit of sufficient reduction to adjust itself

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to reduced income. The items of receipts and expenditure may be examined one after another.

51. The municipal councils are financed [illegible] through (1) property tax, (2) profession tax, (3) entertainment tax, (4) Government grants, (5) tolls and tax on carts, (6) profits, if any, of remunerative enterprises, (7) licence fees and (8) education tax in certain cases.

52. 'Property tax' in almost all the [illegible] councils [illegible] remarkable tendency [illegible]. Town extensions, building operations, etc., have all been growing but the total amount of the property tax [illegible]. The rate varies widely. In places where the property tax includes the water and drainage tax, the rate varies from 14 per cent to 21 per cent, [illegible] the water and drainage tax from 7 per cent to 11 per cent of the annual rental value of houses. [illegible] of the tax is not very encouraging since the towns in this province are either a collection of small traders congregated in one place to distribute the produce of the neighbouring villages or a collection of [illegible] temple.

53. Profession tax [illegible] income-tax and it yields very poor [illegible]. The Council has no legal power to [illegible] the income-tax authorities, and the [illegible] arbitrary.

54. Entertainments tax is in its infancy and its proceeds are negligible.

55. Government grants are fixed and are for specific purposes. They are [illegible] only after the expenditure has been incurred.

56. Tolls when they were in existence had been very remunerative. Several [illegible] Walajah, Hindupur and Nandyal depended on [illegible] for maintaining [illegible] services and financing development programmes. Their abolition and the inadequate substitute have upset the budgetary equilibrium of several municipal councils. Apart from the loss on account of the failure of the Motor Vehicles Act, the indirect effect of the abolition of tolls on the municipal tax on carts has been harmful. I have already drawn the attention of Government to this in my individual report on the municipal council at Conjeeveram.

57. Remunerative enterprises with the possible exception of markets, have generally proved unremunerative. Rents from slaughter houses, and cart-stands are usually booked under this head. Their potentialities are limited but a consolation is that they do not tempt the councils to any ambitious and costly experiments. Markets, [illegible] speaking, have aided the [illegible], but in places where loans have been taken to construct and develop markets they have proved unremunerative. Electric undertakings have generally proved expensive and except in Ootacamund and Madura, drain a [illegible] portion of the general revenues. The Engineers are optimistic but blame the [illegible] for its lack of business [illegible].

58. Licence fees for "Dangerous and offensive" trades, and fees for encroachments, etc., are usually very fruitful sources of income. Several [illegible] councils, however, do not [illegible] exploit these sources. Encroachments, though numerous, have [illegible] to yield a substantial [illegible] of revenue.

59. Education tax for elementary [illegible] levied by all municipal [illegible]. The Elementary Education Fund is not however, weak, but the [illegible] made to contribute a good portion.

60. On the expenditure side of the [illegible] charges are the [illegible] councils maintain high schools at a high net cost. The annuities payable for loans taken to finance electric enterprises contribute in a large measure to the unremunerative character of the electric undertakings. Expenditure on the [illegible] certain cases but it is not so marked as in the case of the district boards.

Part II. Stabilization of the financial position.

61. Possible measures of economy must first be considered. The establishment charges, as I have already noted, are not very heavy. Scales of pay may, however, be related to scales prevalent in the local revenue offices. The expenditure on roads is not very considerable. A few municipal councils maintain high schools. The net cost may be kept at a figure not exceeding Rs. 3,00[illegible]. Certain municipal councils maintain costly allopathic dispensaries. They may be replaced as far as possible by [illegible] dispensaries. Government have not followed in all cases their policy of taking over the hospitals at the taluk headquarters, e.g., Nandyal

and Tinnevelly. Some savings may be effected if municipal councils are relieved of this responsibility. A costly service is sanitation. The methods are antiquated, and the Director of Public Health may be asked whether more modern and cheaper conservancy methods could be adopted. Sufficient credit has, however, been taken for these economies in the normal budget. So the sources from which the receipts could be increased may be examined.

62. The existing taxes should be more efficiently assessed and collected. I have already noted the tendency of the property tax to remain stationary. Steps should be taken to improve the machinery of assessment and collection. Arrears have been accumulated and written off later. Quinquennial revisions are speedily followed by revision petitions. The state of affairs noticed and severely commented upon by the Indian Taxation Enquiry Committee (1924–25) in paragraph 434 of their report, has worsened in recent years. Reform in three directions may be considered: (1) Vest the responsibility to assess and collect the tax on persons not elected by a popularly elected council, (2) afford increased facilities to ascertain rise or fall in the number of assessable houses and in the value of assessed houses and (3) appeals for revision of assessments to lie to a court. Some methods by which the first reform could be effected are noticed in paragraph 578 of the Indian Taxation Enquiry Committee's report. The Committee opine that the prerogative of the local bodies in respect of appointments could be preserved, in a system of independent tax-collecting staff, if the plan of selection from a roster of names submitted by the local bodies is adopted. Whether this reform is immediately practicable or not, some suitable changes in the rules which now govern the assessment of the property-tax should be made to apprise the assessing authority of any development in the house properties of the town. At present, there seems to be no liability on the owner to give a return of new buildings, improvements, etc. A statutory liability, with adequate penalty for failure to furnish correct information to give prompt returns of new houses built, rents paid, etc., should be imposed on the owners and tenants alike. Finally, it would be well if appeals against assessments could lie to a court. But if that is too radical a step, measures must be taken to check the chronic tendency to put in revision petitions at all times, and the danger of under-assessments in certain cases. Time-limit must be fixed for revision petitions in regard to the same property. This may not satisfy absolute standards of equity but it will have as much equity as the thirty-year limit for land revenue. Land revenue is fixed for thirty years and there seems to be no grave injustice if a house-tax is fixed at least for five years, especially in view of the provision for vacancy remission. As for under-assessments, it should be possible for a rate-payer to move a court to investigate into the specific cases of under-assessments that may be pointed out by him. To prevent vexatious petitions heavy penalties may be imposed if a complainant fails to prove his case.

63. *Profession tax.*—The municipal councils are not given proper facilities to levy this tax. The chairman possesses no reliable data. The Indian Taxation Enquiry Committee's recommendation, 'that the assistance of the Income-tax department might be secured in fixing the sums due by the persons who are liable to income-tax' may be considered. It is learnt that legal difficulties exist, but steps should be taken to remove them.

64. The municipal councils have not yet learnt the art of making money out of remunerative enterprises. (a) 'Markets' may be further developed in several cases. The remunerative character of municipal markets is largely affected by the competition of private markets, through tactful negotiations, private markets should be gradually purchased, and a virtual monopoly created. In large towns where a few private markets may be desirable, as for example in Madura, suitable licence fees ought to be levied. (b) Encroachments should be properly checked and if they are not nuisances, ample fees demanded for them. (c) Vacant lands may also admit of more profitable use. (d) Licence fees on 'D & O' trades in places like Bezwada and Cocanada are poor, and a more systematic levy may be arranged. (e) Electric enterprises should be worked at least in such a manner as not to drain a large portion of the general funds. Twenty year annuities work very hard, and it seems an undue benefit to posterity if an enterprise is to pay itself completely out in twenty years. If efficiently erected, a plant may not call for replacement in twenty years, and a thirty-year period to repay in full the capital invested may be more equitable. Again, several municipal

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councils have not a good propaganda agency. Vigorous steps should be taken to get more consumers. Municipal politics should have little chance of exercising its influence on business concerns such as these, and a statutory committee with business men on it, as in the corporations of the West, may manage affairs more satisfactorily. (f) Few municipal councils are venturesome enough to open and develop new enterprises. The scope in this province is limited. Ootacamund shows some enterprise in its model houses, dairy, fuel depot, etc., but similar attempts are not made in places like Madura, Cocanada, Bezwada, Trichinopoly and Vizagapatam. It must be observed however that the chances of making much money from such enterprises are very rare.

65. A small education-tax may be levied by all municipalities. As a matter of policy, contributions from the general account ought to be discontinued, and the requisite sums found from the education-tax. Such a direct tax for a specific service will have an educative effect on the citizen, and will earn equivalent amounts from the Government.

66. These are all the suggestions to augment the finances of municipal councils from the existing sources. But it is not likely that from the probable additional receipts, the finances of these councils would rest on a stable basis. I would therefore recommend reintroduction of tolls on carts, etc., excepting motor vehicles. The considerations for and against have been stated and examined at length in Part II of Chapter 2. An additional consideration, that arises out of the peculiar position of the municipal councils, is the effect of the abolition of tolls on the tax on carts. All carts emigrate to the villages just outside municipal limits, and the revenue from the tax on carts is rapidly falling. Collection too is difficult. I had already discussed this question in all its aspects in a separate communication to Government and it is needless to cover the same ground here. Suffice it to state that the case for the reintroduction of tolls in the manner recommended in Chapter II is very strong.

67. If this proposal is not commendable, recourse may have to be had to new taxes. The problem is a big one and I can only refer to the recommendations of the Indian Taxation Enquiry Committee. Some of them that may be considered are —

(1) A tax on retail sales (paragraphs 406–408 of the Committee's report). I have discussed this in my report on the District Board, Nilgiris. I may state here that a tax of this kind is more suitable to municipalities.

(2) Transfer of a share of the collections of the local Government from ground-rents in towns and an increase in the rates on non-agricultural land.

(3) Extend the imposition of taxes on entertainments and betting and give local bodies a substantial share of the proceeds.

(4) Extend and improve the administration of the taxes on circumstances and property and the profession tax (paragraphs 546–548 summarized at page 445 of the Indian Taxation Enquiry Committee's report, 1924-25, Volume I).

68. This report may now be concluded. I have great pleasure in recording my sense of appreciation of the uniform courtesy shown to me by all presidents of district boards and the chairmen of the municipal councils I have visited. I wish also to tender my thanks to Mr. E. Conran Smith, C.I.E., I.C.S., Secretary to Government, Local Self-Government Department, for his courtesy, inspiring lead, practical suggestions and useful advice.

T. SIVARAMASETU PILLAI.

Madras, 5th January 1933.

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Appendix V.

[Vide answer to question No 586 asked by Mr K. A Nachiyappa Gounder at the meeting of the Legislative Council held on the 25th February 1933, page 122 supra.]

Copy of the remarks of the Collector of Salem for 1930-31

Second-class roads —The condition of the second-class roads is generally fair Some of them still require improvements Please see Collector's Pdl. No. 89-31, dated 18th April 1931 and 29th April 1931.

Trunk roads The Superintending Engineer in his notes of inspection, points out that the sign posts and warning signs on the Madras-Bangalore trunk road have not been improved in spite of the instructions issued in his last year's notes of inspection This should be done without further delay. The total expenditure incurred for the improvements of the trunk roads during the year is Rs 1,52,845 as against Rs. 1,15,769 in the previous year The receipts from tolls contributed 51 6 per cent towards the annual maintenance of the District Board roads as against 62·6 per cent in the previous year

* * * *

Extract from the Collector's remarks for 1931-32

Second-class roads The condition of the second-class roads is generally fair. Some of them still require improvements Please see Collector's Pdl No. 89-32 dated 15th May 1932

Trunk roads. Improvements were made during the year to the Madras-Calicut and Madras-Bangalore trunk roads The total expenditure incurred for the improvements of the trunk roads in the year is Rs. 1,27,567 as against Rs 1 52 845 in the previous year The receipts from tolls contributed 23 8 per cent towards the annual maintenance of the district board roads as against 51·6 per cent in the previous year.

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Appendix VI.

[Vide answer to question No. 594 asked by Mr. A. B. Shetty at the meeting of the Legislative Council held on the 25th February 1933, page 125 supra.]

Statement showing the places where leprosy clinics have been opened up to 31st December 1932.

1. *Ganjam District.*

1	Headquarters Hospital, Berhampur	Government.
2	Government Hospital, Russellkonda	Do.
3	Do. Chatrapur	Do.
4	Do. Parlakimedi	Do.
5	Do. Chicacole	Do.
6	District Board Clinic, Purushothapur	Local Fund.
7	Local Fund Dispensary, Surla	Do.
8	Do. Aska	Do.
9	Do. Serugada	Do.
10	Do. Ichchapuram	Do.
11	Do. Surada	Do.
12	Do. Narasannapet	Do.
13	Do. Hiramandalam	Do.
14	Do. Palasa	Do.

2. *Vizagapatam District.*

15	King George Hospital, Vizagapatam	Government.
16	Government Hospital, Anakapalle	Do.
17	Do. Parvatipur	Do.
18	Do. Bimlipatam	Do.
19	Do. Palakonda	Do.
20	Government Dispensary, Vizianagram	Do.
21	Maharajah's Hospital, Vizianagram	Private.
22	Local Fund Hospital, Bobbili (closed very recently for want of funds)	Local Fund.
23	Local Fund Dispensary, Kotavalasa	Do.

3. *East Godavari District.*

24	Headquarters Hospital, Cocanada	Government.
25	Government Hospital, Rajahmundry	Do.
26	Do. Amalapuram	Do.
27	Do. Tuni	Do.
28	Do. Peddapuram	Do.
29	Local Fund Hospital, Razole	Local Fund.
30	Do. Ramachandrapur	Do.
31	Do. Pithapuram	Do.
32	Local Fund Dispensary, Mandapeta	Do.
33	Do. Pratipadu	Do.
34	Do. Gokavaram	Do.
35	Do. Mummidivaram	Do.
36	Do. Bikkavole	Do.
37	Mission Leper Asylum, Ramachandrapuram	Mission.
38	Bell Hospital, Ramachandrapuram	Do.
39	Mission Leprosy Clinic, Draksharama	Do.
40	Mission Leprosy Clinic, Kottapalli	Do.

4. *West Godavari District.*

41	Headquarters Hospital, Ellore	Government.
42	Government Hospital, Bhimavaram	Do.
43	District Board Clinic, Penugonda (closed down in November 1932 for want of funds)	Local Fund.
44	Mission Leper Asylum, Narsapur	Mission.

5. *Guntur District.*

45 Headquarters Hospital, Guntur .. .. Government.
46 Government Hospital, Tenali .. .. Do.
47 Do. Narasaraopet .. .. Do.
48 Do. Ongole .. .. Do.
49 Government Dispensary, Gurzala .. .. Do.
50 Leper Colony, Bapatla .. .. Mission.

6. *Cuddapah District.*

51 Headquarters Hospital, Cuddapah .. .. Government.
52 Government Hospital, Rajampet .. .. Do.
53 Do. Proddatur .. .. Do.
54 Government Dispensary, Badvel .. .. Do.
55 Local Fund Dispensary, Vempenta .. .. Local Fund.
56 Do. Jammalamadugu .. .. Do.

7. *Kistna District.*

57 Headquarters Hospital, Masulipatam .. .. Government.
58 Government Hospital, Bezwada .. .. Do.
59 Do. Gudivada .. .. Do.
60 Do. Nuzvid .. .. Do.
61 Local Fund Hospital, Jaggayapet .. .. Local Fund.
62 Local Fund Dispensary, Pamarru .. .. Do.

8. *Nellore District.*

63 Headquarters Hospital, Nellore .. .. Government.
64 Government Hospital, Kavali .. .. Do.
65 Do. Gudur .. .. Do.

9. *Kurnool District.*

66 Headquarters Hospital, Kurnool .. .. Government.
67 Government Dispensary, Koilkuntla .. .. Do.
68 Do. Dhone .. .. Do.
69 Municipal Hospital, Nandyal .. .. Municipal.

10. *Bellary District.*

70 Headquarters Hospital, Bellary .. .. Government.
71 Government Hospital, Hospet .. .. Do.

11. *Anantapur District.*

72 Government Hospital, Hindupur .. .. Government.

12. *Chittoor District.*

73 Headquarters Hospital, Chittoor .. .. Government.
74 Government Hospital, Kalahasti .. .. Do.
75 Do. Palmaner .. .. Do.
76 Do. Tirupati .. .. Do.
77 Local Fund Dispensary, Puthur .. .. Local Fund.
78 Do. Tiruttani .. .. Do.
79 Do. Punganur .. .. Do.
80 Do. Chandragiri .. .. Do.

13. *Madras City.*

81 General Hospital, Park Town .. .. Government.
82 Government Hospital, Rayapuram .. .. Do.

14. *Chingleput District.*

83 Government Hospital, Conjeeveram .. .. Government.
84 Government Dispensary, Saidapet .. .. Do.
85 Do. Ponneri .. .. Do.
86 Do. Tiruvallur .. .. Do.
87 Local Fund Dispensary, Madurantakam .. .. Local Fund.
88 Do. Satyavedu .. .. Do.
89 Do. Uttiramerur .. .. Do.

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14. *Chingleput District*—cont.

90	Local Fund Dispensary, Chunampet	Local Fund.
91	Do. Poonamallee	Do.
92	Leper Settlement, Tirumani	Mission.

15. *South Arcot District.*

93	Headquarters Hospital, Cuddalore	Government.
94	Government Hospital, Tindivanam	Do.
95	Do. Villupuram	Do.
96	Do. Kallakurchi	Do.
97	Do. Chidambaram	Do.
98	Local Fund Hospital, Vriddhachalam	Local Fund.
99	Do. Tirukkoyilur (closed recently for want of funds).	Do.
100	D. V. N. Leper Home, Vadatharasaloor	Mission.

16. *North Arcot District.*

101	Headquarters Hospital, Vellore	Government.
102	Government Hospital, Tiruvannamalai	Do.
103	Do. Wandiwash	Do.
104	Scudder Memorial Hospital, Ranipet	Mission.
105	N. M's. Hospital, Tiruppattur	Do.
106	Local Fund Dispensary, Arni	Local Fund.

17. *Salem District.*

107	Headquarters Hospital, Salem	Government.
108	Government Hospital, Namakkal	Do.
109	Do. Krishnagiri	Do.
110	Do. Tiruchengodu	Do.
111	Do. Dharmapuri	Do.
112	Do. Attur	Do.
113	District Board Clinic, Peddunayakampalaiyam	Local Fund.
114	Local Fund Dispensary, Shendamangalam	Do.
115	Do. Mohanur	Do.
116	Do. Velur	Do.
117	Do. Rasipur	Do.
118	Do. Thammampatti	Do.
119	Do. Sankaridrug	Do.
120	Do. Edaptadi	Do.
121	Do. Omalur	Do.
122	Do. Kaveripatnam	Do.
123	Local Fund Hospital, Harur	Do.
124	Subsidised Dispensary, Nallur	Do.
125	Do. Namagiripet	Do.
126	Do. Kadayampet	Do.
127	Do. Elur	Do.
128	Do. Viraganur	Do.
129	Do. Kadathur	Do.
130	Municipal Dispensary, Ammapet	Municipal.
131	Diwan Bahadur Ellappa Chettiyar's Clinic, Salem	Private.
132	Gandhi Ashram, Pudupalaiyam	Do.

18. *Trichinopoly District.*

133	Headquarters Hospital, Trichinopoly	Government.

19. *Tanjore District.*

134	Headquarters Hospital, Tanjore	Government.
135	Government Hospital, Negapatam	Do.
136	Do. Tiruvarur	Do.
137	Do. Tirutturaippundi	Do.
138	Do. Kumbakonam	Do.
139	Do. Mannargudi	Do.
140	Do. Mayavaram	Do.
141	Local Fund Dispensary, Shiyali	Local Fund.
142	Leper Asylum, Kumbakonam	Mission.

20. *Madura District.*

143 Headquarters Hospital, Madura .. .. Government.
144 Government Hospital, Periyakulam .. .. Do.
145 Do. Palni .. .. Do.
146 Do. Usilampatti .. .. Do.
147 Local Fund Hospital, Melur .. .. Local Fund.
148 Do. Uttamapalaiyam .. .. Do.
149 Local Fund Dispensary, Natham .. .. Do.
150 Do. Andipatti .. .. Do.
151 Do. Tirumangalam .. .. Do.
152 Do. Tirupparankundram .. .. .. Do.
153 Do. Nilakkottai .. .. Do.
154 Do. Kannivadi .. .. Do.
155 Do. Keeranur .. .. Do.
156 Do. Alanganallur .. .. Do.
157 Mission Leprosy Clinic, Dindigul .. .. Mission.

21. *Ramnad District.*

158 Government Hospital, Sivaganga .. .. Government.
159 Do. Srivilliputtur .. .. Do.
160 Do. Virudhunagar .. .. Do.
161 Do. Rameswaram .. .. Do.
162 Government Dispensary, Devakottai .. .. Do.
163 Do. Paramakudi .. .. Do.
164 Local Fund Dispensary, Singampuneri .. .. Local Fund.
165 Do. Aruppukkottai .. .. Do.
166 Do. Rajapalaiyam .. .. Do.

22. *Tinnevelly District.*

167 Headquarters Hospital, Palamcottah .. .. Government.
168 Government Hospital, Tuticorin .. .. Do.
169 Do. Nanguneri .. .. Do.
170 Local Fund Hospital, Sankaranayinarkoil .. .. Local Fund.
171 Do. Ambasamudram .. .. Do.
172 Do. Srivaikuntam .. .. Do.
173 Local Fund Dispensary, Sivagiri .. .. Do.
174 St. Luke's Hospital, Nazareth .. .. Mission.

23. *Coimbatore District.*

175 Headquarters Hospital, Coimbatore .. .. Government.
176 Government Hospital, Erode .. .. Do.
177 Do. Gobichettipalaiyam .. .. Do.
178 Do. Dharapuram .. .. Do.
179 Local Fund Hospital, Bhavani .. .. Local Fund.
180 Local Fund Dispensary, Andiyur .. .. Do.

24. *Malabar District.*

181 Headquarters Hospital, Calicut .. .. Government.
182 Government Hospital, Cochin .. .. Do.
183 Do. Tellicherry .. .. Do.
184 Do. Cannanore .. .. Do.
185 Do. Palghat .. .. Do.
186 Do. Ponnani .. .. Do.
187 Local Fund Hospital, Chowghat .. .. Local Fund.
188 Local Fund Dispensary, Tirur .. .. Do.
189 Do. Alathur .. .. Do.
190 Do. Quilandy .. .. Do.
191 Mission Leper Asylum, Cheysyur .. .. Mission.